

MANAGEMENT AND LEADERSHIP: CONCEPTS AND EXPECTED OUTCOMES

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Abstract: *The leadership is the piece of resistance of any organization. Its role is to maintain and actively participate to the improvement organizational performance. The essay is based on various specialized studies, which embodies the idea that, the leadership style adopted by the leader, directly influences success and development, both among the organization and among the employees. The purpose of this essay is to highlight the impact of leadership styles on organizational performance, how they manage achieving the objectives of the organization in terms of the pawns coordinated by the employees. At the same time, the essay is meant to discover the most beneficial leadership style for current enterprises in the labor market. The focus was mainly on leadership styles, on the skills needed for a successful leader and stood out the close connection between how an organization is run and its results. The conclusion obtained is based on the cause-effect relationship between leadership and its success, exclaiming that the leadership style and effectiveness of the leader play an extremely important role in the success of organizational performance.*

Keywords: *leadership, organizational performance, leadership styles, influence, employes, motivation, vision, ideals.*

JEL Classification: *M21, L25, M12.*

1. Introduction

In the dynamic context of the global economy and rapid changes in the organizational environment, the concepts of management and leadership have become essential for the success and sustainability of organizations. Although often used interchangeably, these two concepts represent distinct dimensions of the process of leading and influencing human and material resources. While management involves planning, organizing, coordinating, and controlling activities to achieve.

This theoretical distinction is also reflected in practice, where the balance between effective management and authentic leadership becomes a key factor for organizational performance. Moreover, digital transformations, the emphasis on innovation, and the need for adaptability emphasize the importance of leadership as a change force, while managerial rigor remains essential for stability and operational efficiency.

The aim of this article is to analyze the fundamental concepts of management and leadership, highlight the differences and complementarities between them, and explore the expected outcomes in an organizational context. We will address relevant theoretical models, discuss practical implications, and provide an integrated perspective on the role of the modern leader.

2. Differences and Complementarity between Management and Leadership

Although both management and leadership aim to lead organizations effectively, the two concepts differ in nature, means, and objectives. Essentially, management focuses on stability, order, and control, while leadership aims at change, influence, and inspiration (Kotter, 1990).

Key Differences:

- **Focus:** Managers focus on short-term objectives and results, while leaders look toward the future with a strategic vision.

- **Roles:** Management involves planning, organizing, resource allocation, and control. Leadership involves motivating teams, developing organizational culture, and influencing behaviors.
- **Method of Action:** Managers use formal authority and hierarchical structures; leaders influence through charisma, values, and interpersonal relationships.
- **Complementarity:**
Although distinct, the two concepts are not antagonistic. On the contrary, high-performing organizations are those where management and leadership coexist harmoniously. Managers who integrate leadership traits become more effective in managing teams, and leaders who understand managerial mechanisms can translate vision into concrete results (Mintzberg, 2009).

3. Relevant Theoretical Models

In the academic literature, the concept of leadership has been developed through various theoretical models, each offering useful perspectives on the role and behavior of leaders and managers in organizations:

- John P. Kotter's Model: Leadership vs. Management
Kotter (1990) proposes a clear distinction between management and leadership, asserting that management deals with complexity, while leadership addresses change.
- Trait Theory
This theory suggests that successful leaders possess innate traits such as self-confidence, intelligence, integrity, and charisma (Stogdill, 1948).
- Behavioral Theory
This approach focused on what leaders do. Two dominant styles were identified: task-oriented and people-oriented.
- Transformational and Transactional Leadership
Burns (1978) and Bass (1985) distinguish between transactional leadership (based on rewards) and transformational leadership (based on motivation and vision).
- Henry Mintzberg's Managerial Model
Mintzberg (1973) identified ten managerial roles that reflect the complexity of the leadership function.

4. Impact of Leadership and Management on Organizational Performance

Leadership and management are two fundamental dimensions of organizational governance, playing complementary roles in achieving performance. While management provides structure, planning, and control of processes, leadership contributes through vision, motivation, and the mobilization of human resources. Nowadays, the success of an organization depends not only on managerial efficiency but also on the leaders' ability to inspire and drive change in an increasingly complex and dynamic environment.

The Role of Management in Organizational Performance

- Management aims at the efficient use of resources and the achievement of planned results.
- A competent manager sets clear objectives, plans activities, coordinates teams, and monitors outcomes.

- Standardizing processes and implementing effective procedures ensure organizational stability and predictability.
- In this way, management contributes to maximizing operational efficiency and creating a favorable framework for growth.

The Role of Leadership in Organizational Performance

- Leadership goes beyond the technical sphere of coordination and focuses on people.
- A leader manages to inspire, mobilize, and create a positive organizational climate. By communicating a clear vision, leaders give meaning to daily activities and stimulate employee commitment.
- Moreover, leadership fosters innovation and adaptability, essential elements for long-term performance.
- Employees who feel valued and motivated tend to show loyalty and contribute more actively to the success of the organization.

The Interdependence between Leadership and Management

- Management without leadership risks becoming rigid and bureaucratic, while leadership without management may generate visions impossible to implement.
- Organizational performance is achieved when the two dimensions complement each other: management ensures stability and control, while leadership brings energy, strategic direction, and inspiration.
- The integration of these dimensions helps build a balanced organizational environment capable of delivering both financial and non-financial results.

The Impact on Organizational Performance

The impact of leadership and management is reflected in:

- **Financial performance** – increasing profitability and competitiveness;
- **Non-financial performance** – employee satisfaction, customer loyalty, social responsibility;
- **Innovation and adaptability** – the ability to respond quickly to environmental changes;
- **Human capital development** – attracting and retaining talent.
- Leadership and management should not be viewed as antagonistic dimensions but as complementary processes that together can ensure organizational success.
- Efficient managers need to develop leadership skills, while inspirational leaders must understand the importance of managerial rigor.
- Only through a balance between these two dimensions can organizations achieve sustainable performance in a competitive and dynamic environment.
- Organizational performance is directly influenced by the quality of leadership. While effective management contributes to operational stability, leadership drives engagement and innovation.

Role of Management

- Managers contribute to achieving objectives by implementing clear procedures, resource control, and performance monitoring (Drucker, 1999).
- Impact of Leadership
Empathetic and inspirational leadership contributes to organizational culture, employee engagement, and resilience (Goleman et al., 2002).

- Synergy
The highest-performing organizations create synergy between leadership and management, supporting sustainable performance (Yukl, 2013).

5. Expected Outcomes in Practice

The integrated application of leadership and management generates results such as:

- Increased Efficiency and Productivity
- Employee Engagement and Retention (Bass and Riggio, 2006)
- Adaptability and Innovation (Northouse, 2021)
- Reputation and Competitive Advantage
- Sustainable Performance in the Long Term

6. Conclusions

The relationship between management and leadership is one of complementarity. Management provides structure and control, while leadership offers vision and inspiration. Together, they contribute to sustainable organizational performance. The modern leader must combine managerial skills with leadership qualities to become an architect of change and progress in a complex environment.

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